



PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

LABOR FORCE & EMPLOYMENT

The slowdown in the U.S. economy has significantly reduced job growth in the Idaho Panhandle for the first time in 15 years. The Panhandle's seasonally adjusted unemployment rate in June was 8.4 percent, up five-tenths of a percentage point from June 2000, and *Nonfarm Payroll Jobs* fell slightly below the year-ago level. See Panhandle Table 1 for details.

Mining and Manufacturing suffered the greatest job losses. Low prices for silver and lead forced the closure of the 120-year-old Sunshine Mine near Kellogg in February, and contributed to job reductions at other Panhandle mining companies. The net result was the loss of 230 *Mining* jobs. Since May, lumber from Canada has been flooding the U.S. market, and lumber prices have been falling. Consequently, several lumber mills and logging operations have cut jobs or hours. This round of cuts follows a devastating round of job cuts and temporary mill shutdowns that began in May 2000 and extended into the fall. Other Panhandle manufacturers—especially electronics, furniture, and other durable-goods producers—began cutting jobs in late fall, when the climate for U.S. manufacturing began to deteriorate. The job cuts offset all the job gains made in the summer of 2000. So, by June 2001, *All Other Manufacturing* employed 30 fewer people than in June 2000.

The U.S. economic slowdown also slowed job growth in *Service-Producing Industries*. The slowdown forced the Coldwater Creek mail-order catalog company to eliminate positions at its distribution center in Sandpoint and at its call center in Coeur d'Alene. Retail stores in Panhandle communities that rely on timber and mining also reduced employment. *Retail Trade*, therefore, employed 140 fewer people in June 2001 than in June 2000. The

Panhandle Table 1: Labor Force & Employment

	June 2001*	May 2001	June 2000	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	90,730	90,790	88,040	-0.1	3.1
Unemployed	7,630	8,160	6,960	-6.5	9.6
% of Labor Force Unemployed	8.4	9.0	7.9		
Total Employment	83,100	82,630	81,080	0.6	2.5
Unadjusted					
Civilian Labor Force	91,840	90,560	89,170	1.4	3.0
Unemployed	6,360	7,780	5,740	-18.3	10.8
% of Labor Force Unemployed	6.9	8.6	6.4		
Total Employment	85,480	82,780	83,430	3.3	2.5
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	68,840	66,930	69,010	2.9	-0.2
Goods-Producing Industries	14,470	13,950	15,310	3.7	-5.5
Mining	790	800	1,020	-1.3	-22.5
Construction	5,080	4,900	5,190	3.7	-2.1
Manufacturing	8,600	8,250	9,100	4.2	-5.5
Lumber & Wood Products	4,030	3,660	4,500	10.1	-10.4
All Other Manufacturing	4,570	4,590	4,600	-0.4	-0.7
Service-Producing Industries	54,370	52,980	53,700	2.6	1.2
Transportation	1,510	1,440	1,570	4.9	-3.8
Communication & Utilities	1,080	1,050	1,050	2.9	2.9
Wholesale Trade	2,330	2,300	2,350	1.3	-0.9
Retail Trade	15,490	14,990	15,630	3.3	-0.9
Finance, Insurance & Real Estate	2,550	2,510	2,470	1.6	3.2
Service	17,800	17,180	17,330	3.6	2.7
Government Administration	8,410	8,000	8,110	5.1	3.7
Government Education	5,200	5,510	5,190	-5.6	0.2

* Preliminary estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

declines in the retail and manufacturing sectors caused *Wholesale Trade* and *Transportation* to decrease employment slightly. Fortunately, other *Service-Producing Industries* have bucked the downward trend. Last summer's opening of a second Verizon order-processing center in Coeur d'Alene allowed *Communication & Utilities* to increase employment. Center Partners, which opened a call center in Coeur d'Alene in March, added another 200 *Service* jobs in June, bringing its total employment to 500. The opening of new bank branches and the continued growth by independent banks and credit unions added 80 *Finance, Insurance, & Real Estate* jobs since June 2000. The job increase in *Government Administration* mostly stems from additional hiring by the U.S. Forest Service because of this summer's high danger of forest fires. Growth at the region's two largest community hospitals—Kootenai Medical Center in Coeur d'Alene and Bonner General Hospital in Sandpoint—created about 60 of the new *Government Administration* jobs.

Earlier fears about the summer tourist season have eased, as gasoline prices have fallen and forest fires that could potentially keep tourists away have not developed so far. The expansion of the Coeur d'Alene Tribe's ca-

sino, Silverwood Theme park's growing reputation in the Seattle area, and the opening and expansion of some golf courses have helped bolster tourism.

AREA DEVELOPMENTS

Benewah County

- St. Maries Sausage, a sausage-making shop at 612 Main in St. Maries, closed last month after eight years in business.

Bonner County

- Melissa and Joel Baker recently opened the Kootenai Children's Center at 800 McGhee Road in Ponderay. The 6,000-square-foot childcare center, with a large fenced-in playground and a staff of eight, can care for up to 65 children, including infants.
- Keith Cutter recently opened a Dunhill Staffing Systems executive search franchise at 316 North Second Avenue Suite D in Sandpoint. Dunhill Professional Search of Sandpoint helps firms find highly skilled high-technology sales and marketing professionals for jobs throughout the United States.
- Denise Loehr recently opened Little Spruce Photography at 329½ First Avenue in Sandpoint. The studio specializes in photographs of children, families, and animals.
- The Sandpoint area Wal-Mart celebrated the grand opening of its addition in late June. The addition of a 57,000-square-foot full-service grocery store to the original 102,000-square-foot store made it a super-center, and pushed employment over 325 jobs.

Kootenai County

- Kootenai County recently welcomed the following new businesses: Visible Spectrum, a store featuring Oakley sunglasses and name-brand sportswear, accessories, watches, and packs, at the Plaza Shops of the Coeur d'Alene Resort; Discount Food Warehouse, selling discounted canned and boxed food, at 5648 Government Way; the River Cove, a six-bedroom bed and breakfast, on the Spokane River in Post Falls; Eklektic Korner, a store selling new and used books, furniture, clothing, household decorations, jewelry, and incense, at 9424 Government Way in Hayden; Beau Monde, an 800-square-foot store selling new and used clothing, shoes, and accessories, at 411 Best Avenue in Coeur d'Alene; Fratelli's Salon, a full-service beauty salon employing 13 people, in the Prairie Shopping Center just off Highway 95 in Hayden; High Road Human Services, offering case management and care for disabled and elderly clients, at 1323 Sherman Avenue in Coeur d'Alene; and Priced Rite Appliances, a 1,500-square-foot store selling refurbished washers, dryers, stoves, refrigerators, and freezers, at 510 N. Fourth Street in Coeur d'Alene.

Shoshone County

- July brought wonderful news to Shoshone County, but bad news soon followed. Together, the announcements vividly illustrate the transition of Shoshone County from an economy exclusively focused on mining to a more diversified economy that includes tourism, call centers, and light-manufacturing jobs:
 - » Eagle Crest announced a plan to turn the Silver Mountain Resort in Kellogg into a multi-season, destination resort over the next five years. Eagle Crest plans to break ground in the summer of 2002. Silver Mountain will add two high-speed quad chairlifts and a second entry point for the ski area. Silver Mountain will expand its ski terrain. The planned high-speed lift will increase its vertical rise from 2,200 feet to 3,700 feet. To attract more visitors after the ski season, Eagle Crest plans to build an 18-hole golf course. In addition, it plans to build ski-in, ski-out condo units. From 250 to 800 units will be built on the mountain and up to 150 units will surround the golf course.
 - » Hecla Mining Co. announced it will reduce employment at the Lucky Friday mine near Mullan from 189 to 42 this fall. Low silver and lead prices forced Hecla's decision. The layoff will leave the Galena mine near Osburn as the last fully operating mine in the Silver Valley, and it will bring *Mining* employment in Shoshone County below 360 jobs—the lowest level in more than 110 years.

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